

FSC-7-B		1/13/98	
SUBJECT: Wholesale Partners RJR Promotion Reporting			
DISTRIBUTION:			
<u>X</u> AVP	<u>X</u> KAM	<u>X</u> DM	
<u>X</u> RSM	<u>X</u> AM	<u>X</u> RM	
<u>X</u> RBM	<u>X</u> AE	_____ Sales Rep	
<u>X</u> ROM		_____ Retail Rep	

(Please distribute to any sales representatives with Direct Account responsibilities)

Objective: Emphasize importance of proper MSA promotion reporting

Purpose: Current promotional reporting in many cases is not accurate. It is important that the first and second quarters of 1998 are utilized to troubleshoot and correct reporting discrepancies.

The 1st Half 1998 Wholesale Partners Program is a first step in establishing a truly performance-based incentive program. Going forward, Direct Accounts will be continually re-evaluating the priority of each manufacturer's VAP program based on timing and logistics. We believe this performance-based program will assist RJR in gaining the leverage needed to execute our promotions in a timely and efficient manner.

In addition to timely and efficient promotion execution, correct promotion reporting will allow RJR the opportunity to know where, in what quantities, and in what timeframes our promotions are being shipped. In order to make this happen, however, it is critical that the promotion descriptions are reported properly by our Direct Accounts. Direct Accounts must report promotion descriptions to MSA exactly as described in the Quarterly Promotion Descriptions Tables (see FSC-132B Addendum 11/4/97). 1st Half 1998 is being used to work out any problems or issues accounts are having with proper promotion reporting. Accounts will be required to provide you with their own report for you to determine promotion performance payment manually. In the 2nd Half 1998 Program, account's promotion data reported to MSA will be utilized to determine shipments to retail automatically. If promotion data is not reported properly, the account will be in jeopardy of losing the \$.03 Category III payment.

A "promotion description" file is being provided as a starting point for you to identify promotions not being properly reported. This file resides in:

G:_sales_98plans\Whlpart\1stHalf.

Double-click on your individual sales area file (i.e. MWSA.xls, NESA.xls, SSA.xls, WSA.xls). Each sales area file contains a tab for each region that lists accounts reporting of RJR promotions to MSA in November, 1997. Single-click appropriate region tab. The file lists all reporting of promotion descriptions by all Direct Accounts with the following exceptions:

- Accounts not having promotion activity to report, or
- Accounts that have reported promotion activity, but failed to use a brand style in the promotion description. (EXAMPLE: B2G2F Promo will not show as any activity.)

You should review these files and have any necessary conversations with our Direct Accounts that are not correctly reporting promotions ASAP. A file will also be sent out to you shortly reflecting promotion reporting for the 1st week in January 1998 as a comparison.

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It is our expectation that KAM's, AM's or other RJR personnel calling on Direct Accounts are responsible for ensuring accounts are doing the following:

- Reporting promotions correctly.
- Getting the promotions to the designated retail stores.
- Ensuring the promotions are shipped to the designated retail stores in the right timeframe.
- Ensuring the right quantity of promotions are shipped to the designated retail stores (ensure that no dumping to selected retail stores occurs).

This means notifying Direct Account personnel of the importance of correct promotional reporting, following up with accounts to ensure accurate follow-through and working with the appropriate Direct Account personnel to problem solve issues and maximize promotion penetration.

Should you or your accounts have questions on proper promotion reporting, please contact the Partners Help Desk at 1-800-230-9372. If you have any questions regarding the attached file, please contact Julie Knabb at extension #7754.

Dave

D. L. Wilmesher
Northeast Sales Area
Vice President

Jim

J. W. Best
Southern Sales Area
Vice President

Rick

R. M. Sanders
Western Sales Area
Vice President

Pat

P. J. Cundari
Mid-West Sales Area
Vice President

R. J. REYNOLDS TOBACCO COMPANY

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NESA PROMOTION DESCRIPTION

Acct. #	Account Name	Div #	PROMOTION DESCRIPTION REPORTED
94931	Mid-Valley Candy Co	1622	DORAL BUY TWO GET A FREE CAP
236370	Gray's Wholesale Inc	1622	\$.30 OFF PACK WINSTON BOX KING
236370	Gray's Wholesale Inc	1622	\$.30 OFF PACK WINSTON FILTER KING
236370	Gray's Wholesale Inc	1622	\$.30 OFF PACK WINSTON LT BOX KING
236370	Gray's Wholesale Inc	1622	\$.30 OFF PACK WINSTON LT KING
236370	Gray's Wholesale Inc	1622	B2/G1F DORAL FULL FLAVOR 100
236370	Gray's Wholesale Inc	1622	B2/G1F DORAL LT MENTHOL 100
236370	Gray's Wholesale Inc	1622	B2G1F DORAL LIGHT 100
236370	Gray's Wholesale Inc	1622	B2G1F DORAL LIGHT KING
278580	Herkimer Whlse Co Inc	1622	GRATIS DORAL 100
278580	Herkimer Whlse Co Inc	1622	GRATIS DORAL 100 LT
278580	Herkimer Whlse Co Inc	1622	GRATIS DORAL M 100 LT
278580	Herkimer Whlse Co Inc	1622	GRTAIS DORAL 100 ULT
375878	McLane - Northeast	1622	CAMEL MN BX B2G2F+2 SAM
375878	McLane - Northeast	1622	DORAL LT MTHL B2G1F
375878	McLane - Northeast	1622	SALEM FF BOX .30 OFF NY
375878	McLane - Northeast	1622	SALEM FF SLDE BX B1G1F NY
375878	McLane - Northeast	1622	SALEM LT BOX.30 OFF NY
375878	McLane - Northeast	1622	SALEM LT SLD BX B1G1F NY
375878	McLane - Northeast	1622	SALEM LT SLD BX.30 OFF NY
375878	McLane - Northeast	1622	SALEM SLD BX .30 OFF NY
375878	McLane - Northeast	1622	WINST .30 OFF SHPR
375878	McLane - Northeast	1622	WINSTON B2GF HAT SHPR MW
375878	McLane - Northeast	1622	WINSTON BX DOD
375878	McLane - Northeast	1622	WINSTON LT BX DOD
442680	Mountain Candy & Cigar Co	1622	CAMEL B2G2F DISPLAY
543630	Rite Aid - New York	1622	SALEM .30 OFF PROMOTION
543630	Rite Aid - New York	1622	WINSTON .30 OFF PROMOTION
570300	Scheidelman Inc	1622	DORAL B2G1FREE
570300	Scheidelman Inc	1622	NOV DORAL B2G1FREE #533174
570300	Scheidelman Inc	1622	SALEM 30<CSI> OFF PACK #9710015
570300	Scheidelman Inc	1622	WINSTON 30<CSI> OFF 1 PACK
679995	Sonbyrne Sales	1622	DORAL B2G1 FF 100
679995	Sonbyrne Sales	1622	DORAL B2G1 LT 100
679995	Sonbyrne Sales	1622	DORAL B2G1 LT KG
679995	Sonbyrne Sales	1622	DORAL B2G1 MEN LT 100
761406	Klein Candy Co	1622	CRF-ST DORAL B2G1F 7.1CTP5CT
761406	Klein Candy Co	1622	DORAL B10PKPAY7 LT M 100
761406	Klein Candy Co	1622	SALEM M B1G1 LT BX KS
761406	Klein Candy Co	1622	SALEM M B1G1 SLIDE BX KS
761406	Klein Candy Co	1622	WINSTON 4CT DEAL B2G-HAT
203290	Harry Fourtunis Inc	1623	DORAL B2G1F SHIPPER (B7G3F)
203290	Harry Fourtunis Inc	1623	WINSTON B2GF CAP SHIPPER
315288	Dowlings Dist (aka: Burlington D	1623	CAMEL FILTER BOX B6G4F
315288	Dowlings Dist (aka: Burlington D	1623	CAMEL LIGHT BOX B6G4F
315288	Dowlings Dist (aka: Burlington D	1623	WINSTON B2GF CAP 4CTN DEAL
441643	Stewart's Marketing Corp.	1623	PR DORAL FF 100 B2G1F
441643	Stewart's Marketing Corp.	1623	PR DORAL LT 100 B2G1F
441643	Stewart's Marketing Corp.	1623	PR DORAL LT B2G1F
441643	Stewart's Marketing Corp.	1623	PR DORAL LT MEN 100 B2G1F

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441643	Stewart's Marketing Corp.	1623	PR VT DORAL FF 100 B2G1F
441643	Stewart's Marketing Corp.	1623	PR VT DORAL LT 100 B2G1F
441643	Stewart's Marketing Corp.	1623	PR VT DORAL LT B2G1F
441643	Stewart's Marketing Corp.	1623	PR VT DORAL LT MEN 100 B2G1F
441643	Stewart's Marketing Corp.	1623	PR VT WINSTON BX B2G HAT
441643	Stewart's Marketing Corp.	1623	PR VT WINSTON BX B2G LIGHTER
441643	Stewart's Marketing Corp.	1623	PR VT WINSTON KG B2G HAT
441643	Stewart's Marketing Corp.	1623	PR VT WINSTON KG B2G LIGHTER
441643	Stewart's Marketing Corp.	1623	PR VT WINSTON LT B2G HAT
441643	Stewart's Marketing Corp.	1623	PR VT WINSTON LT B2G LIGHTER
441643	Stewart's Marketing Corp.	1623	PR VT WINSTON LT BX B2G HAT
441643	Stewart's Marketing Corp.	1623	PR VT WINSTON LT BX B2G LIGHTER
441643	Stewart's Marketing Corp.	1623	PR WINSTON BX B2G HAT
441643	Stewart's Marketing Corp.	1623	PR WINSTON BX B2G LIGHTER
441643	Stewart's Marketing Corp.	1623	PR WINSTON KG B2G HAT
441643	Stewart's Marketing Corp.	1623	PR WINSTON KG B2G LIGHTER
441643	Stewart's Marketing Corp.	1623	PR WINSTON LT B2G HAT
441643	Stewart's Marketing Corp.	1623	PR WINSTON LT B2G LIGHTER
441643	Stewart's Marketing Corp.	1623	PR WINSTON LT BX B2G HAT
441643	Stewart's Marketing Corp.	1623	PR WINSTON LT BX B2G LIGHTER
611800	Standard Rosenbaum Inc	1623	DORAL LIGHT 100MM B2GIF+ 1 REG
611800	Standard Rosenbaum Inc	1623	WINSTON FULL FLV KING 30C OFF
647510	Trading Port Inc. DBA Bi-Lo Whsl	1623	DORAL FF MENTH LGT 100'S P:B2G1 FREE
647510	Trading Port Inc. DBA Bi-Lo Whsl	1623	WINSTON KING P:B2G FREE CAP
44880	AD Bedell	1626	WIN DPC VPR 4Q
154180	Derigo Sales Inc	1626	CAM NOV B2G2F (10 CRTNS)
154180	Derigo Sales Inc	1626	CAMEL 2/PK UNIT 12 CRTNS
154180	Derigo Sales Inc	1626	CAMEL MEN.BOX KG..30 TAPE
154180	Derigo Sales Inc	1626	CAMEL MEN.LT.KG. .30 TAPE
154180	Derigo Sales Inc	1626	DOR B2G1F NOV
154180	Derigo Sales Inc	1626	SALEM LT.100 CUSTOM CASE .30OF
154180	Derigo Sales Inc	1626	WINSTON 2/PK UNIT 12 CARTONS
180000	Elmira Tobacco Co	1626	DORAL 100 LT MENTHOL B2G1F
180000	Elmira Tobacco Co	1626	DORAL 85 LT B2G1F
186350	F & T Distributors	1626	CAMEL LT BOX 30& OFF
186350	F & T Distributors	1626	DORAL B2G1
186350	F & T Distributors	1626	SALEM 100 30<CSI> OFF
186350	F & T Distributors	1626	SALEM LIGHT 30<CSI> OFF
186350	F & T Distributors	1626	SALEMN 30<CSI> OFF
186350	F & T Distributors	1626	SALEMN LT 100 30<CSI> OFF
336660	EP Kirst & Sons Inc	1626	DORAL STICK .30 OFF MENTHOL 100
336660	EP Kirst & Sons Inc	1626	DORAL STICKER .30 OFF FF 100
336660	EP Kirst & Sons Inc	1626	DORAL STICKER .30 OFF LIGHT 100
336660	EP Kirst & Sons Inc	1626	DORAL STICKER .30 OFF LIGHT KING
336660	EP Kirst & Sons Inc	1626	DORAL STICKER .30 OFF LT MENT KING
336660	EP Kirst & Sons Inc	1626	DORAL STICKER .30 OFF MENTHOL KING
336660	EP Kirst & Sons Inc	1626	DORB2G1F NOV 100
336660	EP Kirst & Sons Inc	1626	DORB2G1F NOV LIGHT KING
336660	EP Kirst & Sons Inc	1626	DORB2G1F NOV LITE MENTHOL 100
336660	EP Kirst & Sons Inc	1626	DORB2G1F NOV LT 100
336660	EP Kirst & Sons Inc	1626	WIN DPC VPR 4Q 30<CSI>

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NESA PROMOTION DESCRIPTION

336660	EP Kirst & Sons Inc	1626	WIN DPC VPR 4Q 30<CSI> OFF
336660	EP Kirst & Sons Inc	1626	WIN DPC VPR 4Q 30<CSI>OFF
336660	EP Kirst & Sons Inc	1626	WINSTON .20 STICKER BOX KING
336660	EP Kirst & Sons Inc	1626	WINSTON STICK .20 OFF LT BOX KS
336660	EP Kirst & Sons Inc	1626	WINSTON STICKER .20 OFF LT BOX 100
336660	EP Kirst & Sons Inc	1626	WINSTON STICKER .20 OFF ULTRA BOX 100
336660	EP Kirst & Sons Inc	1626	WINSTON STICKER .20 ULTA BOX KING
842166	Tops Markets Inc	1626	SALEM 100 .30 OFF PK
842166	Tops Markets Inc	1626	SALEM KING .30 OFF PK
842166	Tops Markets Inc	1626	SALEM LT 100 .30 OFF PK
842166	Tops Markets Inc	1626	SALEM LT KING .30 OFF PK
23880	Assoc Groc of New England Inc	1638	DORAL LIGHT MEN B2G1F
23880	Assoc Groc of New England Inc	1638	DORAL MENTHOL 100 B2G1F
396640	Manchester Whise Distributor Inc	1638	WINSTON (B2GF CAP) PROMO
648240	TBI Corp	1638	CAMEL B2G2F PROMOTION
648240	TBI Corp	1638	SALEM 30<CSI> OFF PROMOTION
648240	TBI Corp	1638	WINSTON B2GFHAT PROMOTION

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